

12-1-1974

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Recommended Citation

Sparks, Sue C. (1974) "A Study of 1973-74 Eastern Illinois University Applicants Rejected for an Award by the Illinois State Scholarship Commission," *Journal of Student Financial Aid*: Vol. 4 : Iss. 3 , Article 2.
Available at: <https://ir.library.louisville.edu/jsfa/vol4/iss3/2>

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A STUDY OF 1973-74 EASTERN ILLINOIS UNIVERSITY APPLICANTS REJECTED FOR AN AWARD BY THE ILLINOIS STATE SCHOLARSHIP COMMISSION

Sue C. Sparks

In February, 1957, the Higher Education Commission of Illinois proposed a state-wide scholarship plan under the direction of a Scholarship Commission. The State Scholarship Program was originally just that: *scholarships* for financially needy students who first qualified for eligibility by scoring extremely well on the American College Testing Program examinations. In addition, within three years *grants* were awarded to the financially needy upperclassmen chosen by their respective colleges to make application. Then again, the Scholarship Program was enlarged in 1967 to permit all undergraduate Illinois residents eligible for admission to an Illinois college to make application regardless of classification or A.C.T. score.

The awards have never exceeded the amount of tuition and fees charged at the respective institution and for FY 74, did not exceed \$1300. The amount to be awarded has always been "based upon a comprehensive review of the family financial strength and the specific cost of attending the approved Illinois college or university of the student's choice" according to the *Illinois State Scholarship Commission Report* of May, 1970.



Mrs. Sparks has been a staff member of the Office of Financial Aids at Eastern Illinois University since 1966; in 1971 she was appointed Associate Director of Financial Aids. She is currently serving as Secretary of the Illinois Association of Student Financial Aid Administrators.

The Program has grown from 13,552 applicants in its first year to 112,970 in FY 74; from an original appropriation of \$600,000 to \$54,075,730 and from 1458 recipients to 72,246. The need-assessment procedures employed are reviewed annually by one of the advisory committees, and the current *Information Manual — Monetary Awards* states: "The Commission's need analysis system, facilitated by the use of computers, determines what the parents or guardian and student could provide for college cost in a given year. The annual objective assessment is made to estimate the difference between the expected family contribution and the dollar costs of attending the college designated by the applicant A reasonable sacrifice on the part of the family to help meet college costs is a basic premise of the Illinois State Scholarship Commission procedures."

For the 1973-74 academic year, the Illinois State Scholarship Commission received applications from 2831 students who indicated they wished to attend Eastern Illinois University. Of this total, 2065 received awards ranging from \$150 to \$599; the remaining 766 were judged to have "no need" for a monetary award, and it is these students who are the subject of this study.

The enrollment at this university in the fall 1973 showed a decrease of 617 (7%) from the enrollment for the fall of 1970. In searching for reasons for this loss of students, a decision was made to investigate the 766 students rejected by the ISSC to discern if the lack of state monetary grants deterred their enrollment. Secondly, if these students had enrolled, did they receive financial assistance from other sources? It was hoped that the answers to the following several questions could be gleaned from such an investigation:

1. Was the loss in enrollment directly attributable to the lack of scholarships?
2. How much financial assistance was received by these so-called "no-need" students?
3. Did the applicants who failed to enroll at Eastern enroll elsewhere?
4. If so, did scholarship aid play a part in their decision to change schools?
5. How many students were deterred from college because of a lack of funds?
6. Was the need-analysis system developed by ISSC too stringent?

The Investigation

Eastern Illinois University records showed which of the 766 "no-need" applicants had actually enrolled fall 1973, which of those had not returned at the end of the first semester, and which indeed had not enrolled at all. With this initial information, a study was made of the financial records of each student denied aid by the Commission who did enroll. The results of the study set forth what other financial aid, if any, had been awarded, whether the student had attended totally without aid or, if not, the source to the student and the amount of such aid.

In addition each student who did not enroll at Eastern Illinois University received a questionnaire which asked:

1. Did you enroll in college during 73-74?
2. If yes,
 - a. Did you enroll in a community or junior college?
 - b. Did you enroll in a trade school?
 - c. Did you enroll in another four-year public institution?
 - d. Did you enroll in a private school?
 - e. Did you receive a scholarship or grant to attend the institution in which you enrolled?
3. If you were not enrolled in college during 73-74, was the main reason lack of funds?

Those students for whom no reason (i.e. graduation, health, etc.) could be determined for their failure to return to the University for the second semester received similar questionnaires which began: Following the fall semester at Eastern, did you enroll at another postsecondary institution?

The Results

THOSE WHO ENROLLED

Of the 766 denied aid by the ISSC, 612 enrolled at EIU for the fall quarter. The drop in EIU's enrollment was not primarily due to the number of applicants not granted ISSC aid. A study was then conducted of the 612 "no-need" applicants who enrolled at EIU to determine if they had received other financial assistance.

Of this 612 group, 325 received no financial assistance of any kind, and an additional thirty acquired less than \$100 from campus employment. Since such limited earnings would probably not influence a student's decision to attend Eastern, it was decided to include these thirty with the group who received no aid. Thus the group who enrolled at Eastern without significant aid numbered 355.

A possible limitation to this study is that no determination was made of off-campus employment. However, it is unlikely that off-campus employment opportunities would be a major factor in college choice.

It was determined that the remaining 257 students who had been denied aid by ISSC had utilized the following sources of financial help: student employment, state and institutional fee waivers, scholarships from private donors, guaranteed loans, and National Direct Student Loans. There was one recipient of a Basic Educational Opportunity Grant; this appeared to be contradictory until investigation revealed two explanations: he had been judged "no need" only after reporting gift aid exceeding the amount which ISSC permitted him to receive, and the two programs (i.e. ISSC, BEOG) utilized the family income from different base years.

Of the 257 "no-need" applicants who received some form of financial assistance:

1. One hundred and thirty-five had campus employment with earnings ranging from \$120 to \$850; the average earned was \$356. Of the 135 who were employed on-campus, 96 had no other assistance.

2. Sixty-nine had other state and institutional fee waivers which were awarded for reasons other than financial need. These included: Teachers' Education Scholarships whose criteria for eligibility included high school class rank and curriculum of recipient, General Assembly Scholarships given by Illinois legislators to children of constituents, Talented Student Awards to those from such majors as physical education, journalism, speech, and music. For 44 of the 69 students, the scholarship represented the only financial aid received. The average award was \$496.

3. Ten students obtained scholarships from private donors. These averaged \$478 each; and for four of the ten recipients, it was their only aid.

4. Forty-two students borrowed under the state-guaranteed loan program and received interest subsidy. Since the interest subsidy was to be reserved for those who could demonstrate need for the loan, 42 students seemed to be a large percentage (7%) of the original group which had been determined to be without need. Further checking revealed, however, that the financial aid counselor at the University had recommended to the lending institution that only 12 of the 42 receive the interest subsidy. The remaining 30 had obtained the subsidy based upon recommendations by the lending institutions. The 12 applicants judged as demonstrating need by the financial aid officer at EIU received loans averaging \$957; the 30 loans not recommended by the financial aid representative for subsidization because of a lack of need averaged \$1088.

5. Thirty students obtained non-subsidized loans averaging \$1157. Of the 72 students acquiring guaranteed loans, 46 received no other assistance.

6. Twenty-eight enrollees received National Direct Student Loans which averaged \$448 and represented the only assistance for 13 of the group.

The 257 students who enrolled with some financial aid in spite of being rejected by the ISSC actually received 314 different items of assistance.

THOSE WHO DID NOT ENROLL FALL 1973

Of the 154 students who were denied assistance from ISSC and who did not enroll at Eastern, 84 (55%) returned their questionnaires from which the following information was derived:

1. Forty-two attended community or junior colleges; only two of this two-year college group received gift aid assistance.
2. Four of the 154 attended trade schools without gift aid.
3. Thirteen enrolled at other public four-year institutions, and six of the 13 reported receiving scholarships or grants. Since the other public four-year institutions would have had budgets roughly equivalent to that of Eastern, it can be assumed that these six were institutional awards, not ISSC grants.

4. Twelve students chose private colleges of which eight were awarded scholarships.
 5. Only 13 of the 84 respondees failed to attend any post-secondary institution, and of these, eight attributed this to lack of funds.
- Of the 84 students returning the questionnaires, 85% did enroll in post-secondary institutions.

THOSE WHO DID NOT RETURN SPRING SEMESTER 1974 AFTER ATTENDING FALL 1973

Sixty-four of the 612 students who enrolled at EIU without a monetary award from ISSC, failed to return for the second semester. It was only necessary to contact 36 of the 64 drop-outs since it was apparent from the school's records why the other 28 did not enroll for spring semester. Not one of the 28 had failed to return for lack of funds; instead, they listed graduation, withdrawal for "personal" reasons, death, and academic expulsion.

Of the 36 questionnaires sent to the remaining drop-outs, 26 (72%) were returned, indicating:

1. Eight of the 26 students had transferred to community or junior colleges, none receiving gift aid.
2. Five transferred to other public, four-year institutions, but only one reported receiving a scholarship
3. Two enrolled in private colleges, with one receiving a scholarship.
4. Eleven attended no other school, with seven attributing this to a lack of funds.

SURVEY FINDINGS

It seems reasonable to conclude:

1. The loss in enrollment could not be attributed to the lack of scholarships; 80% of the group enrolled.
2. The average amount of aid awarded the group of "no need" students receiving any type of assistance was \$694.
3. Of the 110 applicants responding to the questionnaires, 86 attended or transferred to other schools.
4. Twenty-one percent of the responders enrolling in other schools reported gift aid. Conceivably, this could have influenced some of these students to enroll at a postsecondary institution other than at Eastern.
5. Since four out of five rejected ISSC applicants enrolled at Eastern, it could be stated that for most students, the ISSC need analysis system did not prove so stringent as to prohibit attendance at the University.

Recommendations

Special attention should be given three areas: (1) The aid received by approximately half those enrolling with assistance consisted solely of campus

employment. There obviously is a great need or desire for employment by those students whose family income is such that they cannot qualify for other financial aid which is based on financial need. It is imperative that additional funds be allocated for student employment to provide new jobs for those students from middle-income families. (2) The second largest group of aid recipients possessed State scholarships or institutional fee waivers which were not based on financial need. Since the State abolished most such scholarships three years ago, the number in use at Eastern has diminished by 68 percent. Perhaps it is more than coincidental that the enrollment has been reduced by 7% during the same period. If the State sincerely believes, as is in the Higher Education Student Assistance Law, "The General Assembly has found and hereby declares that the provision of a higher education for all residents of this State who desire such an education and are properly qualified therefore is important to the welfare and security of this State and Nation. . .," a new State scholarship program not based on financial need should be proposed. (3) The average amount of aid received by each student of this study who enrolled with financial assistance was increased greatly by the guaranteed loans received. Without the inclusion of the guaranteed loans, the average aid was \$472; with the addition of the guaranteed loans, the average aid became \$694. The average loan of those students who were judged as not needing it by both the representatives of the lending institutions and this University was \$200 higher than the average of those loans the same groups believed to be justified. This amount of borrowing would seem to be unnecessary.

Summary

A study was made of those applicants turned down for an Illinois State Scholarship Commission award. Of the 2831 applicants who applied for a grant or scholarship to attend Eastern Illinois University in 1973, 766 (27%) were judged as having insufficient financial need to qualify. In spite of this, 80% enrolled at the University for the fall term. Fifty-eight percent of those enrolled (355) did so with no financial assistance at all. Of the 257 who possessed aid, 203 held only one type assistance, 48 utilized two kinds, and five found it necessary to have three. The average amount received by these 257 students was \$694.

The Higher Education Student Assistance Law states that to authorize a monetary award, the Scholarship Commission must find that "financial resources are such that, in the absence of scholarship aid, he (the applicant) will be deterred by financial considerations from completing his education at the qualified institution of his choice." Since four out of five rejected ISSC applicants enrolled at Eastern and since only 15 of those responding to the questionnaire failed to enroll or continue in any school because of a lack of funds, it must be assumed that the Illinois State Scholarship Commission is indeed carrying out its mandate.

TABLE I
ENROLLMENT AND NON-ENROLLMENT AT EASTERN ILLINOIS UNIVERSITY OF 766 ISSC APPLICANTS JUDGED AS HAVING NO FINANCIAL NEED

| | Number | Percent of Total |
|--|--------|---------------------|
| Applicants who enrolled fall 1973 (see Table II) | 612 | 80 % |
| Applicants who did not enroll 73-74 (see Table III) | 154 | 20 % |
| Applicants who did not return second semester 1974 but who had not graduated, withdrawn, nor been academically "dropped" (see Table III) | 36 | 4.7% |

TABLE II
FINANCIAL AID RECEIVED BY THE 612 STUDENTS WHO ENROLLED AT EASTERN ILLINOIS UNIVERSITY FALL 1973 AFTER BEING JUDGED AS HAVING NO FINANCIAL NEED BY ISSC

No aid received by 355; 58% of the group.
Types of aid received by 257; 42% of the group:

| | Total Number* | Percent of 257 | Percent of 612 | Average Amount of Aid | Number Which This is Sole Aid |
|---|------------------|-------------------|-------------------|-----------------------------|--|
| Campus Employment | 135 | 53% | 22% | \$ 356 | 96 |
| State Scholarships and Institutional Waivers | 69 | 27% | 11% | 496 | 44 |
| Private Scholarships | 10 | 4% | 1½% | 478 | 4 |
| Guaranteed Loans, subsidized interest | 12 | 5% | 2% | 957 | 8 |
| Guaranteed Loans, non-subsidized recommendation | 30 | 12% | 5% | 1088 | 18 |
| Guaranteed Loans, non-subsidized interest | 30 | 12% | 5% | 1157 | 20 |
| National Direct Student Loans | 28 | 11% | 4½% | 448 | 13 |

*The total number is within each type aid; since there are duplications, this column will be more than 257.

TABLE III
RESPONSES RECEIVED FROM REJECTED ISSC APPLICANTS NOT ENROLLING AT EASTERN ILLINOIS UNIVERSITY 1973-74 AND NOT RETURNING FOR SPRING SEMESTER 1974

| | Not enrolled 1973-74 | | | Not reenrolled Spring Semester 1974 | | |
|---|----------------------------------|-----------------------------------|---------------------------------|--|-----------------------------------|---------------------------------|
| | Number in Responding Group | Percent in Responding Group | Number Receiving Gift Aid | Number in Responding Group | Percent in Responding Group | Number Receiving Gift Aid |
| 154 not enrolled 73-74; 84 responses received (55%) | | | | | | |
| 36 not reenrolling spring 1974; 26 responses received (72%) | | | | | | |

Attended:

| | | | | | | |
|-----------------------------|----|-----|---|----|-----|---|
| Community or Junior College | 42 | 50% | 2 | 8 | 31% | 0 |
| Trade School | 4 | 5% | 0 | 0 | 0 | 0 |
| Another 4-Yr. Public Inst. | 13 | 15% | 6 | 5 | 19% | 1 |
| Private College | 12 | 15% | 8 | 2 | 8% | 1 |
| Attended No College | 13 | 15% | | 11 | 41% | |
| Because of a Lack of Funds | 8 | 9% | | 7 | 27% | |